

## Risk Management - Operations

### DESCRIPTION OF MAJOR SERVICES

Risk Management, under the direction of the Human Resources Department, administers the County's self-insured workers' compensation, public liability, property conservation, safety and risk reduction programs and its insured programs. All program costs are paid from insurance sub funds, which are funded by charging general fund and non-general fund departments as well as Board-Governed Special Districts and County Service Areas for the cost to pay losses and fund future liabilities for the self-insured programs and the cost of insurance for the insured programs.

### BUDGET AND WORKLOAD HISTORY

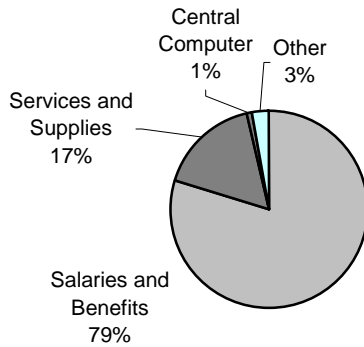
	Actual 2003-04	Budget 2004-05	Estimate 2004-05	Proposed 2005-06
Appropriation	4,958,155	5,164,475	4,890,102	5,842,443
Departmental Revenue	4,810,196	5,164,475	5,159,275	5,842,443
Revenue Over/(Under) Expense	(147,959)	-	269,173	-
Budgeted Staffing		65.3		70.5
Fixed Assets	-	-	-	-
Unrestricted Net Assets Available at Year End	(99,381)		169,792	
<b><u>Workload Indicators</u></b>				
Average cost of a closed WC indemnity claim	21,270	19,000	23,267	21,346
Average cost of a closed Liability claim	8,184	6,500	10,172	8,445
Preventable vehicle accident rate per million miles driven	6	7	8	7
Percent of WC claimants ranking treatment (professional and courteous) as good or excellent	90	91	91	91
Percent of WC claimants ranking return of phone calls promptly as good or excellent	87	88	88	89
Percent of WC claimants ranking explanation of benefits as good or excellent	87	88	88	89

In 2005-06, a total increase of 5.2 positions is requested.

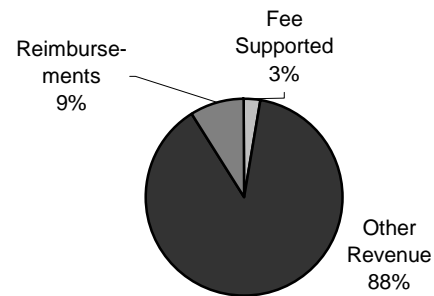
- On October 5, 2004, the Board approved the addition of 3.0 Workers' Compensation Claims Assistants.
- The addition of 1.0 Staff Analyst II is requested primarily to assist with the preparation, issuance, and evaluation of requests for proposals (RFP). This position will also prepare contracts and Board agenda items, and provide assistance to the Emergency Medical Services (EMS) program.
- The addition of 1.0 Automated Systems Analyst I is requested for preparation of monthly EMS reports submitted to the San Bernardino Medical Society and the EMS Committee. This position will manage the data in the EMS system and assist with the preparation of other Risk Management ad-hoc reports.
- The addition of 0.5 Supervising Automated Systems Analyst I is requested to assist with the Automated Claims Processing system.
- The reduction of 0.3 Contract Risk Manager is requested because the contract expired in December 2004 and the recruitment for a Risk Manager is ongoing.



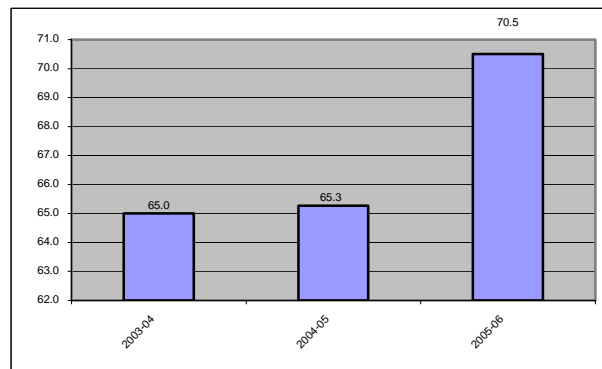
## 2005-06 BREAKDOWN BY EXPENDITURE AUTHORITY



## 2005-06 BREAKDOWN BY FINANCING SOURCE



## 2005-06 STAFFING TREND CHART



GROUP: Administrative/Executive  
DEPARTMENT: Human Resources  
FUND: Risk Management - Operations

BUDGET UNIT: IBP RMG  
FUNCTION: General  
ACTIVITY: Insurance programs

## ANALYSIS OF 2005-06 BUDGET

	A	B	C	D	B+C+D E	F Department Recommended Funded Adjustments (Schedule A)	E+F G
	2004-05 Year-End Estimates	2004-05 Final Budget	Cost to Maintain Current Program Services	Board Approved Adjustments	Board Approved Base Budget		2005-06 Proposed Budget
<b>Appropriation</b>							
Salaries and Benefits	4,084,594	4,383,309	389,860	198,703	4,971,872	143,045	5,114,917
Services and Supplies	1,155,017	1,130,675	(12,417)	-	1,118,258	(38,961)	1,079,297
Central Computer	47,779	47,779	5,581	-	53,360	-	53,360
Transfers	161,389	161,389	8,502	-	169,891	-	169,891
Total Exp Authority	5,448,779	5,723,152	391,526	198,703	6,313,381	104,084	6,417,465
Reimbursements	(558,677)	(558,677)	(16,345)	-	(575,022)	-	(575,022)
Total Appropriation	4,890,102	5,164,475	375,181	198,703	5,738,359	104,084	5,842,443
<b>Departmental Revenue</b>							
Use Of Money and Prop	49,800	55,000	-	-	55,000	-	55,000
Current Services	225,000	225,000	-	-	225,000	(50,000)	175,000
Total Revenue	274,800	280,000	-	-	280,000	(50,000)	230,000
Operating Transfers In	4,884,475	4,884,475	375,181	198,703	5,458,359	154,084	5,612,443
Total Financing Sources	5,159,275	5,164,475	375,181	198,703	5,738,359	104,084	5,842,443
Rev Over/(Under) Exp	269,173	-	-	-	-	-	-
Budgeted Staffing		65.3	-	3.0	68.3	2.2	70.5

In 2005-06 the department will incur increased costs in retirement, workers compensation, central computer charges and inflationary services and supplies purchases and will incur decreased costs in risk management insurance and computer printing costs. In addition, this budget unit included an estimated increase in salaries and benefits related to the pending negotiations, as this cost is financed by departmental revenues. These costs are reflected in the Cost to Maintain Current Program Services column.



DEPARTMENT: Human Resources  
 FUND: Risk Management - Operations  
 BUDGET UNIT: IBP RMG

## SCHEDULE A

## DEPARTMENT RECOMMENDED FUNDED ADJUSTMENTS

Brief Description of Program Adjustment		Budgeted Staffing	Appropriation	Departmental Revenue	Revenue Over/ (Under) Exp
1.	Salaries and Benefits Addition of 1.0 Staff Analyst II is requested to assist with the preparation, issuance, and evaluation of requests for proposals (RFP). Risk Management issues approximately 20 RFP's per year, which vary in their degree of difficulty. An additional position is necessary to assist in the preparation of RFP's, contracts, Board agenda items, budgets, and to provide some analytical assistance to the Emergency Medical Services program.	1.0	74,548	74,548	-
2.	Salaries and Benefits Addition of 1.0 Automated Systems Analyst I for the Emergency Medical Services (EMS) program. This position is requested for preparation of monthly reports submitted to the San Bernardino Medical Society and the EMS Committee. This position will manage the data in the EMS system and assist with the preparation of other Risk Management ad-hoc reports.	1.0	69,848	69,848	-
3.	Salaries and Benefits Reduction of 0.3 Contract Risk Manager is requested because the contract for this position expired in December 2004.	(0.3)	(43,997)	(43,997)	-
4.	Salaries and Benefits Addition of 0.5 Supervising Automated Systems Analyst I is requested due to the expected retirement of key Risk Management personnel. This position is critical due to the nature of the Automated Claims System and mandates regarding the processing and time requirements of various claim payments.	0.5	42,646	42,646	-
5.	Services and Supplies Reduced costs primarily due to reduced COWCAP charges.	-	(38,961)	(38,961)	-
<b>Total</b>		<b>2.2</b>	<b>104,084</b>	<b>104,084</b>	<b>-</b>

